

BUSH ADMINISTRATION BUDGET PROPOSALS

HEARING
BEFORE THE
SUBCOMMITTEE ON HUMAN RESOURCES
OF THE
COMMITTEE ON WAYS AND MEANS
HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTH CONGRESS
FIRST SESSION

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BUSH ADMINISTRATION BUDGET PROPOSALS

WEDNESDAY, JULY 11, 2001

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
SUBCOMMITTEE ON HUMAN RESOURCES,
Washington, DC.

The Subcommittee met, pursuant to notice, at 10:30 a.m., in room B-318 Rayburn House Office Building, Hon. Wally Herger [Chairman of the Subcommittee] presiding.

[The advisory and revised advisory announcing the hearing follow:]

ADVISORY

FROM THE COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON HUMAN RESOURCES

FOR IMMEDIATE RELEASE

CONTACT: (202) 225-1025

July 3, 2001

HR-8

Herger Announces Hearing on Bush Administration Budget Proposals

Congressman Wally Herger (R-CA), Chairman, Subcommittee on Human Resources of the Committee on Ways and Means, today announced that the Subcommittee will hold a hearing on initiatives contained in President Bush's fiscal year 2002 Budget. **The hearing will take place on Wednesday, July 11, 2001, in room B-318 of the Rayburn House Office Building, beginning at 2:00 p.m.**

In view of the limited time available to hear witnesses, oral testimony at this hearing will be from invited witnesses only. The invited witness will be a representative of the Office of the Assistant Secretary for Management and Budget, U.S. Department of Health and Human Services (HHS). However, any individual or organization not scheduled for an oral appearance may submit a written statement for consideration by the Committee and for inclusion in the printed record of the hearing.

BACKGROUND:

HHS's fiscal year 2002 budget contains several proposals under the jurisdiction of the Subcommittee on Human Resources. They include an expansion of the Promoting Safe and Stable Families program to provide additional funds and target services to the children of prisoners; a program to promote Responsible Fatherhood; a Compassion Capital Fund to provide technical assistance and support to non-profit or faith-based organizations seeking collaboration with social service agencies; an expansion of the Chafee Independent Living Program; an increase in Child Care Entitlement Funds; and a fund to support Maternity Group homes.

In announcing the hearing, Chairman Herger stated: "We look forward to hearing about the many initiatives set forth in the President's 2002 Budget and how we can work together to put these ideas into action."

FOCUS OF THE HEARING:

This hearing will focus on human resources proposals contained in the President's fiscal year 2002 budget proposal.

DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:

Any person or organization wishing to submit a written statement for the printed record of the hearing should submit six (6) single-spaced copies of their statement, along with an IBM compatible 3.5-inch diskette in WordPerfect or MS Word format, with their name, address, and hearing date noted on a label, by the close of business, Wednesday, July 25, 2001, to Allison Giles, Chief of Staff, Committee on Ways and Means, U.S. House of Representatives, 1102 Longworth House Office Building, Washington, D.C. 20515. If those filing written statements wish to have their statements distributed to the press and interested public at the hearing, they may deliver 200 additional copies for this purpose to the Subcommittee on Human Re-

sources office, room B-317 Rayburn House Office Building, by close of business the day before the hearing.

FORMATTING REQUIREMENTS:

Each statement presented for printing to the Committee by a witness, any written statement or exhibit submitted for the printed record or any written comments in response to a request for written comments must conform to the guidelines listed below. Any statement or exhibit not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

1. All statements and any accompanying exhibits for printing must be submitted on an IBM compatible 3.5-inch diskette WordPerfect or MS Word format, typed in single space and may not exceed a total of 10 pages including attachments. **Witnesses are advised that the Committee will rely on electronic submissions for printing the official hearing record.**

2. Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.

3. A witness appearing at a public hearing, or submitting a statement for the record of a public hearing, or submitting written comments in response to a published request for comments by the Committee, must include on his statement or submission a list of all clients, persons, or organizations on whose behalf the witness appears.

4. A supplemental sheet must accompany each statement listing the name, company, address, telephone and fax numbers where the witness or the designated representative may be reached. This supplemental sheet will not be included in the printed record.

The above restrictions and limitations apply only to material being submitted for printing. Statements and exhibits or supplementary material submitted solely for distribution to the Members, the press, and the public during the course of a public hearing may be submitted in other forms.

Note: All Committee advisories and news releases are available on the World Wide Web at [HTTP://WWW.HOUSE.GOV/WAYS_MEANS/](http://WWW.HOUSE.GOV/WAYS_MEANS/).

The Committee seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-225-1721 or 202-226-3411 TTD/TTY in advance of the event (four business days notice is requested). Questions with regard to special accommodation needs in general (including availability of Committee materials in alternative formats) may be directed to the Committee as noted above.

*** NOTICE—CHANGE IN TIME ***

ADVISORY

FROM THE COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON HUMAN RESOURCES

FOR IMMEDIATE RELEASE

CONTACT: (202) 225-1025

July 9, 2001

HR-8-Revised

Change in Time for Subcommittee Hearing on Bush Administration Budget Proposals

Congressman Wally Herger (R-CA), Chairman of the Ways and Means Subcommittee on Human Resources, today announced that the Subcommittee hearing on initiatives contained in President Bush's fiscal year 2002 Budget scheduled for Wednesday, July 11, 2001, at 2:00 p.m., in room B-318 of the Rayburn House Office Building, **will be held instead at 10:30 a.m.**

All other details for the hearing remain the same. (See Subcommittee Advisory No. *HR-8* released on July 3, 2001.)

Chairman HERGER. Good morning, and welcome to today's hearing on President Bush's fiscal year 2002 human resources budget proposals. The President has made a number of proposals that fall under the jurisdiction of this Subcommittee and which would be administered by the U.S. Department of Health and Human Services (HHS). These include programs that promote responsible fatherhood, to better protect children at risk of abuse and neglect, and to mentor children of prisoners, to name a few.

Today's hearing will help us learn more about the President's proposals and how we can work with the administration to better protect children and assist young families on the path to self-support.

I want to highlight one proposal, mentoring children of prisoners. In our country today, one and a half million children have a parent who is incarcerated. Studies show these children are more likely to be arrested or incarcerated themselves, to drop out of school, to run with gangs and to abuse drugs. To his credit, the President has proposed new funding for programs that link such children with positive adult role models, while their own parent is in jail. The programs also help children maintain contact with an imprisoned parent so that when the parent leaves prison, he or she can better reconnect with the child.

Given the number of children affected and the likelihood this sad cycle will repeat itself if nothing is done, I hope we can all agree to support the President's proposal. The President issued a budget blueprint, sketching out this and his other proposals in February,

which means this hearing has been in the planning stages for some time. For several months, we have been waiting for the Senate to act on a nomination of Dr. Wade Horn to be Assistant Secretary for the Office of Family Support at HHS. However, his nomination is one of a number held up in the Senate, and we must press on with our business.

Fortunately, we have an excellent pinch hitter in Acting Assistant Secretary for Management and Budget, Dennis Williams. Mr. Williams has worked on these issues at HHS since 1984. We are pleased he can share with us his lengthy experience and perspective. We welcome him to the Subcommittee and look forward to his testimony.

Without objection, each Member will have the opportunity to submit a written statement and have it included in the record at this point.

Mr. Cardin, would you like to make an opening statement?

[The opening statement of Chairman Herger follows:]

**Opening Statement of the Hon. Wally Herger, M.C., California, and
Chairman, Subcommittee on Human Resources**

Good afternoon and welcome to today's hearing on President Bush's fiscal year 2002 human resources budget proposals.

The President has made a number of proposals that fall under the jurisdiction of this Subcommittee, and which would be administered by the Department of Health and Human Services. These include programs to promote responsible fatherhood, to better protect children at risk of abuse and neglect, and to mentor children of prisoners, to name a few. Today's hearing will help us learn more about the President's proposals and how we can work with the Administration to better protect children and assist young families on the path to self-support.

I want to highlight one proposal—mentoring children of prisoners. In our country today, one and a half million children have a parent who is incarcerated. Studies show these children are more likely to be arrested or incarcerated themselves, to drop out of school, to run with gangs, and to abuse drugs. To his credit, the President has proposed new funding for private programs that link such children with positive adult role models while their own parent is in jail. The programs also help children maintain contact with an imprisoned parent, so that when the parent leaves prison, he or she can better reconnect with the child. Given the number of children affected and the likelihood this sad cycle will repeat itself if nothing is done, I hope we can all agree to support the President's proposal.

The President issued a budget blueprint sketching out this and his other proposals in February, which means this hearing has been in the planning stages for some time. For several months, we have been waiting for the Senate to act on the nomination of Dr. Wade Horn to be Assistant Secretary for the Office of Family Support at HHS. However, his nomination is one of a number held up in the Senate, and we must press on with our business.

Fortunately, we have an excellent pinch-hitter in the Acting Assistant Secretary for Management and Budget, Dennis Williams. Mr. Williams has worked on these issues at HHS since 1984. We are pleased he can share with us his lengthy experience and perspective. We welcome him to the Subcommittee and look forward to his testimony.

Mr. CARDIN. Well, thank you, Mr. Chairman. I very much appreciate you calling this hearing so that we can have a record on the Bush administration's budget on areas that are within the jurisdiction of this Committee, and I want to welcome Dennis Williams to our Committee and we look forward to having the full range of cabinet-level officials before our Committee to look at these initiatives.

Mr. Chairman, I might say they think there is some good news in the President's initiatives. I think there are some areas that we need to improve upon, and there are some matters of concern. So let me just touch upon a few very briefly.

First on the Safe and Stable Families Program, we are very pleased that the Bush administration has put more resources into that program, and we would like to see that moved as quickly as we possibly can. Those funds are used to help children at risk, and I think there is strong support for moving forward in that area. Mr. Chairman, we would hope that we could improve upon this recommendation by adding one of the major causes, substance abuse, into those funding areas that are eligible for this program.

Secondly, Mr. Chairman, on the Independent Living Program, I am very pleased that the administration has put more resources into that program. It is more consistent with the work of this Subcommittee in our efforts to help children who age out of foster care, and it is a welcome addition to see more resources put into that program.

Third, let me mention the Responsible Fatherhood Initiative that the administration has put forward. That looks very similar to the legislation that was authored by Congresswoman Johnson and myself and enjoyed very strong bipartisan support in the House, and I would hope that we could move forward in that area.

Now, Mr. Chairman, let me just mention a couple areas that we have concern and where we think that we need to make improvements. First, we were disappointed that the administration has not put forward a recommendation on the Child Support Distribution System. There has been tremendous interest among the child support enforcement local officials that we reform that system to make it easier for them to administer the program and to allow States to pay us through more child support to the families. That would help in the Fatherhood Initiative, and Mrs. Johnson and I again have worked in that area last Congress and there is strong bipartisan support to move that initiative.

In the area of Temporary Assistance for Needy Families (TANF), we are concerned that the administration has not come forward with extending the supplemental grant program that affects a large number of States. It does not affect the State of Maryland that I have the honor of representing, but it is an area that we should move forward and we are disappointed that the administration has not come forward with any initiative in that area.

And let me just mention another area that has not gotten much attention here on the Hill and maybe it has been withdrawn, but the administration's budget also includes the ability of States to offset local tax breaks to faith-based institutions through the use of TANF funds, and that is one that I would hope would not move forward in this Congress.

And then lastly, let me mention the faith-based initiatives that our full Committee will be taking up later today. There has been a lot of discussion about the faith-based initiatives, but today we are going to be talking about budget initiatives, and one area that I think all the faith-based groups that currently enjoy significant resources from the Federal government to help in their mission would agree, and that is we should be putting more money, not

less, into those programs in which faith-based institutions today are able to access Federal funds. Title XX is a good example of that, and yet that program is still under funded and the administration has not come forward with initiatives in that area.

And then I would lastly mention the CCDBG Program and the fact that the administration has come forward with some new money in that area in the Child Care and Development Block Grant Program, but they come forward with some new initiatives to take some money out of that program which we think is counter-productive, so that we would hope that if we want to work out a bipartisan agreement on the faith-based initiatives, that we would talk about putting more money into the pot so that the community can address these problems more adequately rather than just putting more spoons in the bowl that is already inadequate as far as the resources that are available.

We look forward to hearing Mr. Williams, and we look forward to working with you on these initiatives.

[The opening statement of Mr. Cardin follows:]

Opening Statement of the Hon. Benjamin L. Cardin, M.C., Maryland

Mr. Chairman, I am pleased to be here today to consider those portions of the President's budget that are within the jurisdiction of this subcommittee. As I look at the Administration's budget, I see some things I like, some things that concern me, and some things that are missing.

Let me start by commending President Bush for proposing to increase resources for the Promoting Safe and Stable Families Program, which provides funding to prevent child abuse, to restore families, and to promote adoption when appropriate. I believe this panel should act quickly to pass this increase in funding. We have heard considerable testimony that our child welfare system lacks adequate resources for preventive care—and this proposal takes an important first step in addressing that problem.

During our deliberations on child welfare issues, I hope we also will consider providing additional resources to combat the leading cause of child abuse and neglect—namely, substance abuse by parents. Furthermore, I support quick enactment of the Administration's plan to add funding to the Independent Living Program to provide educational and training assistance to children aging out of the foster care system. This proposal dovetails nicely with legislation enacted last session by this subcommittee to help former foster children achieve self-sufficiency.

I also am pleased that the Administration has a proposal to promote responsible fatherhood, but I was very disappointed that the President's budget failed to highlight the need to improve the distribution of child support.

Last year, this Committee and the entire House overwhelmingly supported a bill sponsored by Mrs. Johnson to ensure more child support actually goes to families. Because such reforms are central to any effort to enhance the relationship between absent fathers and their children, I cannot support moving a fatherhood proposal without these vitally important child support improvements.

On the issue of the Temporary Assistance for Needy Families program or TANF, two decisions made by the Administration give me pause about the role it will play in reauthorizing that important program next year. First, the Bush budget fails to extend the TANF supplemental grants, which help many of our poorer States and which expire this year. And second, the budget would allow States to spend Federal TANF funds to offset the cost of tax breaks for charitable donations.

Fortunately, the Congressional Budget Resolution includes an extension of the TANF supplemental grants, and the Administration's proposal on using TANF funds to offset tax breaks has not been included in any of the faith-based proposals now being considered by Congress.

Finally, let me make a general point about resources. The President has on many occasions touted his faith-based initiative as a way to help more charities serve needy families. But he fails to acknowledge that many religious charities already receive government aid to help the poor.

One of the most effective ways to help these faith-based providers do even more is to increase funding for public programs which provide them with resources.

For example, religious charities have been outspoken in their support for restoring funding to the Social Services Block Grant (Title XX), which has been cut from \$2.8 billion a year in 1995 to \$1.7 billion today. And yet President Bush's budget continues to under-fund this program.

The Child Care and Development Block Grant is another example of a program that faith-based organizations depend on to serve needy families. The President's budget would provide \$400 million in discretionary funding for a new after-school program within this block grant, but half of that money is taken out of the current activities funded by the CCDBG. We must do better if we are serious about helping "the armies of compassion" ensure that "no child is left behind."

Mr. Chairman, I look forward to hearing Mr. Williams' presentation of the Administration's budget, while recognizing that as a career employee in the position of Acting Assistant Secretary for Management and Budget at HHS, he may be constrained in his ability to articulate the Administration's policies beyond what is already stated in the budget.

Chairman HERGER. Thank you, Mr. Cardin. Before we move on to our testimony this morning, I want to remind our witness to limit his oral statements to 5 minutes. However, without objection, all the written testimony will be made a part of the permanent record. Now we will turn to our witness, Mr. Dennis Williams, Acting Assistant Secretary for Management and Budget at the U.S. Department of Health and Human Services. Mr. Williams.

STATEMENT OF DENNIS P. WILLIAMS, ACTING ASSISTANT SECRETARY FOR MANAGEMENT AND BUDGET, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. WILLIAMS. Thank you, Mr. Chairman, Members of the Committee. I am pleased to appear before you today to discuss the President's fiscal year 2002 budget request for the administration for Children and Families. ACF is the Department's leading agency responsible for serving our Nation's most vulnerable populations, including preschool age children, adolescents, and families and children in crisis. The fiscal year 2002 budget for the administration for Children and Families is \$44.4 billion. The request represents an increase of 2.9 percent above the fiscal year 2001 enacted level and is comprised of \$31.8 billion in funding for entitlement programs, including the Temporary Assistance for Needy Families Program, Child Support Enforcement, Foster Care and Adoption Assistance and the Child Care Entitlement, and \$12.6 billion for funding discretionary programs, such as Head Start.

The agency's fiscal year 2002 budget reflects the administration's commitment to improving the lives of our Nation's most vulnerable children and families by maintaining critical investments and targeting new initiatives to help them thrive and prosper. The budget also increases support for charitable organizations that can make such a difference in people's lives. I would like to spend my time today discussing these new initiatives.

First, ACF's budget seeks to strengthen families by recognizing the critical role that fathers play in the lives of their families. A new \$64 million program is proposed to provide competitive grants to religious and community organizations to help parents support their children financially and improve parenting skills and to promote marriage. We commend the Subcommittee for its leadership

on this issue and look forward to working with you in this area of mutual commitment.

In addition, ACF's budget seeks funding under the Social Security Act's section 1110 demonstration authority for a Compassion Capital Fund. The fund would provide startup capital and operating funds totaling \$89 million in 2002 to support qualified charitable organizations that wish to expand or emulate model social programs and to promote research on best practices among charitable organizations.

Further, to encourage States to create State tax credits for contributions to designated charities, this budget proposes to allow States to use Federal Temporary Assistance for Needy Families funds to offset revenue losses from such contributions.

In the area of child care, the fiscal year 2002 request proposes to increase discretionary funds available for the Child Care and Development Block Grant by \$200 million for a total fiscal year 2002 level of \$2.2 billion.

The President's budget includes a \$400 million set-aside to provide parents with certificates to obtain after-school child care with a high quality education focus for eligible children up to 19 years of age. This would help low-income working parents pay for the cost of care to children especially vulnerable to crime and at-risk behavior when left unsupervised after school.

Additionally, the 2002 budget includes a \$150 million increase in pre-appropriated entitlement funds. In total, this translates to a \$350 million increase in child care funding, which will provide after-school care for up to 500,000 additional children.

In addition, ACF's budget seeks to help our most vulnerable and at-risk children live safe and productive lives in conjunction with reauthorization of the Promoting Safe and Stable Families Program, which is scheduled to expire on September 30th, 2001.

We are proposing a \$200 million increase for the Promoting Safe and Stable Families Program, which supports State and tribal child welfare agencies in carrying out family preservation, family support, family reunification and adoption promotion and assistance services.

Within this framework, we are also proposing to create a new discretionary initiative that will provide \$67 million within the Promoting Safe and Stable Families Program to assist children of prisoners. On an average day, as Mr. Herger has pointed out, America is home to 1.5 million children of prisoners who suffer disproportionate rates of many severe social problems, including substance abuse, gang involvement, early childbearing and delinquency. This additional new funding would go to States to provide a range of activities, including family rebuilding programs that serve low-income children of prisoners and probationers.

Finally, we are also seeking a \$60 million increase in funding for the Independent Living Program within the Foster Care and Adoption Assistance Entitlement. This funding is intended to provide vouchers worth up to \$5,000 for education and training to help young people who age out of foster care develop skills to lead independent and productive lives. Currently 16,000 youth age out of the foster care system annually and often do not have the resources to pay for higher education and vocational training that can be crit-

ical to increasing their opportunity to secure work and become contributing members of adult society.

As outlined in my written testimony, ACF's fiscal year 2002 budget includes several additional funding priorities, including \$33 million for maternity group homes to provide safe and nurturing environments for teenage mothers and their children who cannot live with their own families because of abuse, neglect or other extenuating circumstances.

Along with the priorities I have just highlighted, the fiscal year 2002 budget for ACF supports crucial areas of need for our Nation's children and families. We look forward to working with you to ensure these needs are addressed. Thank you, Mr. Chairman. I will be happy to answer any questions you or the Committee may have at this time.

[The prepared statement of Mr. Williams follows:]

Statement of Dennis P. Williams, Acting Assistant Secretary for Management and Budget, U.S. Department of Health and Human Services

Mr. Chairman and members of the subcommittee, I am pleased to appear before you today to discuss the President's FY 2002 budget request for the Administration for Children and Families (ACF). I am Dennis Williams, the Acting Assistant Secretary for Management and Budget in the Department of Health and Human Services. The Administration for Children and Families is the Department's lead agency responsible for serving our Nation's most vulnerable populations, including pre-school age children, adolescents, and families and children in crisis. The agency's FY 2002 budget reflects the Administration's commitment to improving the lives of these children and families by maintaining critical investments and targeting new initiatives to help them thrive and prosper as well as increasing support for the charitable organizations that can make such a difference in people's lives.

I would like to begin my testimony today by providing an overview of ACF's overall FY 2002 budget and then focus on areas that I know are of particular interest to this subcommittee.

Overview

The FY 2002 budget for the Administration for Children and Families is \$44.4 billion. This request represents an increase of 2.9 percent above the FY 2001 enacted level and reflects the President's commitment to a balanced fiscal framework while at the same time increasing support for America's children and families.

Two thirds or \$31.8 billion of the ACF budget request is for entitlement programs including the Temporary Assistance for Needy Families (TANF) program, Child Support Enforcement, Foster Care and Adoption Assistance, and the Child Care Entitlement. The remaining \$12.6 billion of this request represents the discretionary portion of ACF's budget and funds programs such as the Low Income Home Energy Assistance Program (LIHEAP), the Child Care and Development Block Grant, Head Start, Community Services Block Grant and Refugee and Entrant Assistance.

I would like to turn now to a few key programmatic initiatives in ACF's FY 2002 request that we look forward to working with you on such as responsible fatherhood, support for charitable organizations, child care, Safe and Stable Families and independent living.

Promoting Responsible Fatherhood

ACF's budget seeks to strengthen families by recognizing the critical role that fathers play in the lives of their families. A new \$64 million program would be authorized to strengthen the role of fathers in families and marriage. This initiative shares many of the same goals as the legislation this subcommittee has supported over the last several years. The President's proposal would provide competitive grants to faith-based and community organizations to help low-income non-custodial parents (mainly fathers) support their children financially and improve parenting skills and to promote marriage. We commend the subcommittee for your leadership in focusing attention on responsible fatherhood and look forward to working with you in this area of mutual commitment.

Support for Charitable Organizations

In addition to reaching out to the expertise of faith—and community-based organizations in our child care, fatherhood and mentoring initiatives, ACF's budget seeks funding under the Social Security Act's section 1110 demonstration authority for a compassion capital fund. The fund would provide start-up capital and operating funds totaling \$89 million in 2002 to support qualified charitable organizations that wish to expand or emulate model social programs. This funding would build on the efforts of charitable organizations by supporting the creation of public/private partnerships in addressing the needs of low-income families. In addition, these funds would be used to promote research on best practices among charitable organizations.

Further, to encourage States to create State tax credits for contributions to designated charities, this budget proposes to allow States to use Federal Temporary Assistance for Needy Families funds to offset revenue losses, from such contributions.

Child Care

The FY 2002 request proposes to increase the discretionary funds available for the Child Care and Development Block Grant by \$200 million for a total FY 2002 level of \$2.2 billion. The President's budget includes a \$400 million set-aside to provide parents with certificates to obtain after-school child care with a high quality education focus for eligible children up to 19 years of age. This would help low-income working parents pay for the cost of care to children especially vulnerable to crime and at-risk behavior when left unsupervised after school. Additionally, the 2002 budget includes a \$150 million increase in pre-appropriated entitlement funds which are subject to the rules of the Child Care and Development Block Grant. In total, this translates to a \$350 million increase in child care funding and will provide after school care investment for up to 500,000 additional children.

Promoting Safe and Stable Families

In addition, ACF's budget takes steps to help our most vulnerable and at-risk children live safe and productive lives in conjunction with reauthorization of the Promoting Safe and Stable Families program, scheduled to expire on September 30, 2001. First, we are proposing a \$200 million increase for the Promoting Safe and Stable Families program, which supports State and Tribal child welfare agencies in carrying out family preservation, family support, family reunification, and adoption promotion and assistance services. These additional funds will be used to help serve the best interests of children by either keeping them with their biological families when it is safe and appropriate, or by expediting adoptive placement when it is not. Second, we are proposing to create a new discretionary initiative that will provide \$67 million within the Promoting Safe and Stable Families program to assist children of prisoners. America is home to 1.5 million children of prisoners on an average day who suffer disproportionate rates of many severe social problems including substance abuse, gang involvement, early child-bearing, and delinquency. This additional new funding would go to States to provide a range of activities, including family rebuilding programs that serve low-income children of prisoners and probationers.

Independent Living

We are also seeking a \$60 million increase in funding for the Independent Living Program within the Foster Care and Adoption Assistance entitlement. This funding is intended to provide vouchers worth up to \$5,000 for education and training to help young people who age out of foster care to develop skills to lead independent and productive lives. Currently, 16,000 youth age out of the foster care system annually and often do not have the resources to pay for higher education and vocational training that can be critical to increasing their opportunity to secure work and become contributing members of adult society.

Other Budget Priorities

Before concluding, I would like to take this opportunity to mention several additional priorities in ACF's budget which fall outside this committee's jurisdiction. First, the budget includes \$33 million for community-based, adult supervised group homes for teenage mothers and their children under the Runaway and Homeless Youth Program. The homes would provide safe, stable, nurturing environments for teenage mothers and their children who cannot live with their own families because of abuse, neglect, or other extenuating circumstances.

In addition, the FY 2002 budget request for Head Start would increase by \$125 million to \$6.3 billion. This will support all Head Start programs in maintaining the current level of services while efforts are undertaken to improve the program's focus on child and family literacy in order to better prepare children for school.

Finally, the FY 2002 request for Federal Administration is \$175 million, an increase of \$11 million or 4.9 percent over the FY 2001 enacted level. This level is expected to fund 1,532 full-time equivalent staff (FTE) and provide 15 new FTE needed to support the Department's Faith-Based Center established in accordance with the President's recent Executive Order. Also, ACF envisions committing an additional \$2 million as needed to meet the intensive staffing and travel requirements generated by the child welfare monitoring reviews.

Conclusion

In conclusion, the President's FY 2002 budget for ACF identifies crucial areas of need for our Nation's children and families. We look forward to working with you to ensure these needs are addressed.

Thank you, Mr. Chairman. I will be happy to answer any questions you and the Committee may have at this time.

Chairman HERGER. Thank you, Mr. Williams, and now we will turn to questions for Mr. Williams, and I would like to remind the members that they each have 5 minutes for witness questioning. I recognize the gentlelady from Connecticut, Mrs. Johnson, to inquire.

Mrs. JOHNSON. I thank the chairman and I thank Mr. Williams for appearing before our Subcommittee today. I want to make just a couple of comments that I hope you will kind of take back as my first reactions to where we are and then I will proceed with the question.

But first of all, I am very pleased to see this new administration focusing on fatherhood. I would call your attention to the structure of the bill that Mr. Cardin and I wrote that involves preferences. There are some problems that we don't know how to solve, but we need to stimulate and incentivize the States to solve them. One of the biggest is how do we help young men who are terribly in debt from nonsupport payments, from not having paid child support, out from under that debt? In Hartford, there are at least 400 men who will never, ever be able to work in the public economy. They will never be part of Social Security. They will never be a part of Medicare, and they will never be a stable part of their families, not because they don't want to and not because they aren't actually working under the table, but because they have such large arrearages that they could never, ever pay off \$10,000, \$20,000, \$30,000.

So we need States to look at this creatively. We do this in many other areas. We let teachers pay off debt by serving in low income areas. I mean, there are lots of things we can do, but we have done none of it and so we don't tell States how to deal with arrearages. But I can tell you many of the men that we most want to reach cannot be reached until we also work with them financially. We didn't. That is why they have these big debts.

Now that we have a system that identifies paternity at birth, gets them in the system early, we should avoid these problems in the future, but we will never solve the problems of our young families if we aren't more honest about debt and its influence on our lives.

So I just point that out to you and any work the Department is doing on those kinds of creative things or knows the States are doing I think we would be real interested in.

Then secondly, I hope you will look more carefully at and I hope we will have a chance to look at the Safe and Stable Families Program from the point of view of the waivers that have been given to States to better integrate their foster care and adoption money, because that control over those dollars so that they aren't driven by placement decisions but rather by child need decisions is a very important movement, and now there are a lot of States that have gotten waivers and more flexible use of that money, and we need to look at that because as we reauthorize these things, we really have to be more progressive on future looking.

On the maternity group home thing, I am really concerned about that, because we have got to do a far better job among pregnancy prevention among teenagers, and I have a program in my district that gets not one dollar of abstinence money though it has a 100 percent success rate now over a number of years, not one pregnancy, male or female. This isn't just about girls getting pregnant. This is about young boys impregnating girls. But because they teach about contraceptives, even though they teach heavily about abstinence and it is abstinence that is really serving them, they don't get a dollar of Federal money. So I think we need to look more realistically.

There was a very big article about this recently that quotes kids just about the security. They need to know that they have got that backup and if they make a mistake and—we don't have the time to go into it here, but we have got to be more honest with our kids, because we can help them prevent pregnancy and go on and get the education they need to be a productive member of society. And I would be very reluctant, frankly, to put new money into maternity homes when we are doing so little to prevent pregnancy.

I do also join my other colleagues in their interest in substance abuse treatment dollars, and that leads me to the one question of this series of things that we have laid out here. I do wonder how much we know about women in prison and parents in prison, parents of children on TANF in prison, and what their particular needs are, what percentage of parents are there because of substance abuse, because of so on and so forth, and what are we doing and how will some of the programs that you are proposing help in that.

Before I relinquish my time, let me also just say that I am very pleased with the increase in the child care dollars, but in my experience we have two few vouchers to support the number of people coming off welfare, so it is a problem to take voucher dollars, the after-school dollars, as important as after-school care is. So I just put those concerns out there, but I am very interested in the families in prison and particularly those in TANF.

Mr. WILLIAMS. Let me add more fully for the record on some of the statistics and characteristics of women and children that I think could give you a fuller response, but we can say that women in prison and the children of women in prison are particularly vulnerable in society. These children typically come from households where the mother was a sole provider, making placements in foster

care more likely when the mother is in prison than if she is not. So this is an area where we have particular interest and concern.

There are no government programs now that really address this problem. There are some private programs, such as Big Brother, Big Sister, but this is an area where the government and a government program can, we think, have particularly high payoff. In a more general way, the limited data indicates that placements in foster care as a result of a parent's incarceration increased from 2.5 percent of the placements in 1997 to 5.9 percent in 1999, and that represents roughly 30,000 children. So this is a matter of some size and dimension.

I might just comment briefly, if you have a moment, on some of your other comments. Your comments with respect to strengthening fatherhood are timely. The administration is now giving high priority to the drafting of that legislation, and we will take your concerns and your interests into account. When we have the legislation we certainly look forward to working with the Committee to try to produce a bill which addresses this problem.

[The following was subsequently received:]

In 1999 State and Federal prisons held an estimated 721,500 parents of minor children. A majority of State (55%) and Federal (63%) prisoners report having a child under the age of 18. Forty-six percent of the parents reported living with their children prior to admission. As a result, there were an estimated 336,300 U.S. households with minor children affected by the imprisonment of a parent.

While a majority of both fathers (57%) and mothers (54%) in State prison reported never having a personnel visit with their children since admission, 40% of fathers and 60% of mothers in State prison reported weekly contact with their children.

Children of prisoners are less likely than their peers to succeed in school and more likely to succumb to substance abuse, gangs, early childbearing and delinquency. Children of incarcerated mothers are particularly vulnerable; as these children typically come from households where the mother was the sole provider, making placement in foster care more likely when the mother is in prison. The data available indicates that placement in foster care as a result of a parent's incarceration increased from 2.5% of the placements in 1997 to 5.9% (roughly 30,000 children) in 1999.

Chairman HERGER. Thank you. The time has expired of the gentlelady from Connecticut. Now I recognize our ranking member, Mr. Cardin, to inquire.

Mr. CARDIN. Thank you, Mr. Chairman. Mr. Williams, HHS, of course, is the agency that is primarily responsible for our people who are most at risk. As I look at the budget priorities of the Bush administration, clearly they have come forward now with an initiative for defense. They have had their tax initiative. When I look at the increase that you refer to in your statement of 2.9 percent in this area, the Consumer Price Index rose 3.6 percent for the 12 months ending this May, and with two more million people in our country this year, it seems to me we are not keeping up with inflation. We are not keeping up with the needs in this area for our most vulnerable, so I appreciate the fact that you have gone over some of the new initiatives. I wonder how you square the overall resources that are going to be available with the needs that are out there.

Mr. WILLIAMS. Mr. Cardin, thank you. The President has produced a budget which has very much focused on trying to restrain

the growth in spending, not eliminate it, but to restrain it to a level of spending over the long term which is sustainable. Within that objective, however, the President and the Secretary have focused their attention on some clear priorities.

Mr. CARDIN. I just interrupt for one moment to say that 2.9 in this area is significantly lower than the overall number of the other areas in the budget. So it appears to me again, as an advocate for human resources, which is what this Subcommittee is concerned about, and HHS, which is your agency's mission, it seems like this is the area that got shortchanged.

Mr. WILLIAMS. We have focused our attention on some clear priorities. Some of the new programs I have mentioned are new initiatives. They will amount to \$456 million in new spending in 2002. Some of the areas that Mrs. Johnson mentioned are areas that we want to address, child care and development. For child care, we have an increase of \$200 million in the discretionary program. We have a \$150 million increase in the mandatory program. On the discretionary side of this budget, that is a 10-percent increase. So we have in selected areas, admittedly selected areas, significant increases in resources that are of priority to the President and the Secretary.

Mr. CARDIN. I appreciate that response. I don't think it fully answers the question. Let me go on to one area, the Fatherhood Initiative is one in which there has been strong bipartisan support, has passed this House several times. Part of what we do is allow—one of our initiatives with child support is allow pass-through child support to the families, which we think also helps bring the father into the family. Secretary Thompson, when he was Governor of Wisconsin, initiated that policy for his own State. The administration has come out with tax relief, and that has been enacted into law, and yet these families are paying effectively a marginal tax rate of 100 percent. Is the administration going to offer some initiative to help States who want to pass through child supports to the families to bring the families together?

Mr. WILLIAMS. It is my understanding, at least in the context of the strengthening fatherhood proposal, we have not made specific proposals there, although that legislation is still being drafted, so it is something we can consider, as Mrs. Johnson asked us to do. The budget does not envision any particular change in child support.

Mr. CARDIN. I would just ask you to take back that message. Again, we have bipartisan support here, and it helps the vulnerable families who have very high marginal rates, 100 percent.

Do you know how much resources currently go to faith-based, religious-affiliated organizations under the current Federal programs? Do you have that number?

Mr. WILLIAMS. I don't think so, but we could try to provide that for the record.

[The following was subsequently received:]

On January 29th the President issued two Executive Orders (E.O.s) creating the White House Office of Faith Based and Community Initiatives and establishing Executive Department Centers for Faith-Based and Community Initiatives within the Departments of Education, Labor, Justice, Health and Human Services and Housing and Urban Development. One of the initial tasks of the Executive Department Centers is to conduct department-wide audits to identify all existing barriers to the par-

ticipation of faith-based and community organizations in the delivery of social services by the department.

According to information collected for a section of the report about the current level of participation by faith-based and community-based organizations in Federal programs, overall figures were difficult to determine due to lack of available information. Grantees do not necessarily report their affiliation in a manner that allows the departments to identify whether or not they are faith-based. In addition, many programs provide funding to States by formula allocation. For these programs, information on the recipients of funds at a sub-state level is not currently collected and would not be included as part of a grant record.

To illustrate, while the Department of Health and Human Services was able to provide information on funding for faith-based organizations for a number of smaller programs, information on larger block grant programs such as Temporary Assistance for Needy Families (TANF) or Community Services Block Grant, which provide funds under the auspices of charitable choice provisions, was not available. It is our understanding that the Departments of Education, Labor, Justice, and Housing and Urban Development are experiencing similar limitations in their ability to accurately represent resources provided to faith-based organizations.

Mr. CARDIN. Would you? I appreciate it if you would. We know that the Catholic Charities has estimated almost two-thirds of their operating income comes from Federal, State and local governments. The Salvation Army says that they receive about \$300 million a year in government funding. I think it would be important for us to have that number. If you could make it available to the Committee, I would appreciate that.

The one area that really concerns me, and you mention it in your oral statement—I thought maybe you had abandoned it. I guess that was just wishful thinking—and that is using TANF funds to reimburse the States for the charitable breaks they give them on the tax returns. You know, this is not money that is going necessarily to low-income programs. Charitable deductions could be anything from our church, to our hospital, to a university, and you really think we should be taking money away from low-income programs to fund this initiative? It is totally inconsistent with everything we have said on TANF funding.

Mr. WILLIAMS. The proposal envisions that the ability to use TANF money to help to finance a tax credit would be for those programs which address poverty and other social problems in the State. So this is not meant to be—

Mr. CARDIN. I thought it was for tax cuts.

Mr. WILLIAMS. No. This is not meant to be an open-ended tax credit but, rather, for charitable contributions for those areas that would address the issues you are talking about.

Mr. CARDIN. I am sorry I don't have Mr. Portman on this panel, because I think Mr. Portman would agree with me, that if you are going to limit it to the type of 501(c)(3)s that would qualify for this tax relief, you are just creating additional complexity and also an impossible burden on enforcement for a State to develop a separate tax break for certain types of charitable organizations.

Mr. WILLIAMS. But we do that with the objective of leveraging a lot more money for some of these programs. If we can provide some tax credits to individuals who are prepared to put private money—more private money—into these programs than overall, we should. The objective is to increase the amount of resources available for these programs.

Mr. CARDIN. But States can do that already with their TANF funds.

Mr. WILLIAMS. Yes, but——

Mr. CARDIN. Why develop another complexity into the system?

Chairman HERGER. I thank the gentleman from Maryland. We have been notified that there are expected to be two votes on the floor. We will go and vote and return as soon as possible. In the meantime, the hearing stands in recess.

[Recess.]

Chairman HERGER. This Committee is reconvened, and, again, good to see you, Mr. Williams. On the fatherhood legislation proposed by the administration, this Committee approved fatherhood legislation last year that also passed the House by a wide margin. Nancy Johnson and Ben Cardin have reintroduced that legislation this year, and we recently held a hearing that included discussion of their bill, H.R. 1471. Could you please tell us how the President's proposals on fatherhood differ, if at all, from the approach in the Johnson-Cardin bill?

Mr. WILLIAMS. Thank you, Mr. Chairman. I can't answer that question with absolute definition, because the administration's bill is still being drafted, and we hope to have it up here soon. It is my understanding, though, that the primary and basic purposes of the fatherhood title in the Cardin-Johnson bill and the administration's bill are likely to be in many areas of agreement, and we look forward to working with the Committee when we actually have the final draft.

Chairman HERGER. I thank you, and then Mr. Cardin mentioned a concern about simply adding more spoons to the same sized bowl when it comes to the President's faith-based initiative. Is it true that the President's budget does call for more funds, I believe some \$89 million, in this budget in the area of a Compassion Capital Fund; and, therefore, it is growing the bowl?

Mr. WILLIAMS. Yes.

Chairman HERGER. And would you like to comment?

Mr. WILLIAMS. Yes, sir. The budget does propose a Compassion Capital Fund, which is aimed at providing startup capital for faith-based institutions to provide services in their communities. It is \$89 million that we would be proposing in new spending in fiscal year 2002.

Chairman HERGER. Thank you. And with that, I yield time to the gentleman from Texas, Mr. Doggett, to inquire.

Mr. DOGGETT. Thank you so much, Mr. Chairman. Mr. Williams, as you are aware, 17 States received supplemental grants to TANF, where they have traditionally received low TANF grants because they have many people in poverty or expanding populations. Why is President Bush opposed to this supplemental TANF program?

Mr. WILLIAMS. The President has not said that he is opposed to the supplemental program.

Mr. DOGGETT. Well, he excluded it from his budget, didn't he?

Mr. WILLIAMS. The TANF legislation is up for reauthorization in——

Mr. DOGGETT. Well, it is not in the President's budget.

Mr. WILLIAMS. And——

Mr. DOGGETT. Is that correct?

Mr. WILLIAMS. It was the President's and the Secretary's intention to deal with this and other issues in the TANF legislation as they came up for reauthorization.

Mr. DOGGETT. It is omitted from the President's budget, isn't it?

Mr. WILLIAMS. Yes, because that particular aspect of the TANF legislation expires this coming year rather than in 2002, but we expect the President will be addressing the full TANF reauthorization in the next year's budget.

Mr. DOGGETT. Well, do you expect that he is going to support the supplemental TANF program even though he excluded it from his budget?

Mr. WILLIAMS. I can't answer that with definition. The President's budget is being worked on now, but I would expect that this would be addressed in that budget.

Mr. DOGGETT. Why is the President opposed to the Early Learning Opportunities Fund to fund improvements in child care quality and seek out innovative programs that might be replicated across the country?

Mr. WILLIAMS. Mr. Doggett, I would say that the President and the Secretary are not opposed to the fund. The President did make some choices, however, and chose to spend money in the Department of Education for an early reading program, and the President's budget has an increase of \$75 million for that program in the Department of Education and—

Mr. DOGGETT. Well, my question is related to the Early Learning Opportunities Fund to upgrade the quality of child care. These other programs may have merit, too, but the President thought again so little of this initiative to improve the quality of child care, not just for poor children but for all children, that he excluded it from his budget, didn't he?

Mr. WILLIAMS. That particular program is not funded, but there is money and increased resources for programs with similar purposes.

Mr. DOGGETT. So in terms of putting dollars into that program, the President is opposed to the Early Learning Opportunities Fund?

Mr. WILLIAMS. He is not opposed to the fund. He just doesn't want to provide more resources for similar programs.

Mr. DOGGETT. Let me ask you, with reference to Mr. Cardin's inquiry on the Child Care and Development Block Grant, as I understand, you increase it by \$200 million and then take \$400 million out of it for a new After School Program?

Mr. WILLIAMS. If you look at child care broadly, which includes both—

Mr. DOGGETT. I want to look specifically at the Child Care and Development Block Grant—

Mr. WILLIAMS. In the Child Care and Development Block Grant, there is an increase of \$200 million in total.

Mr. DOGGETT. And then you take \$400 million out of it?

Mr. WILLIAMS. We are not taking \$400 million out of it.

Mr. DOGGETT. Well, you are putting it into a program that—

Mr. WILLIAMS. We are earmarking \$400 million for an After School Program.

Mr. DOGGETT. Right. So it no longer will be available, sir, for the purposes of the Child Care Development Block Grant under current law, will it?

Mr. WILLIAMS. If you take child care under the Child Care and Development Block Grant, plus the mandatory program where there is an increase of \$150 million, we will be providing the same assistance to child care in 2002 as we do in 2001. In addition, we will serve 500,000 additional children in the After School Program.

Mr. DOGGETT. Well, I am delighted you will under your proposal, but you have cut the Child Care and Development and Block Grant Program for purposes of what we use it for now, which in my State can't cover the number of people that want to receive support on child care who are trying to get off welfare and into the workforce. You cut it by \$200 million dollars, don't you?

Mr. WILLIAMS. We have compensated for that by increasing the mandatory program by \$150 million.

Mr. DOGGETT. Thank you very much.

Mr. CARDIN. Would you yield for one moment? Following Mr. Doggett's point on the supplemental grants, I don't really follow your answer. If you don't put it in this year's budget, that means that those States that have received the supplemental grants in the past will go a year without TANF funds, isn't that correct?

Mr. WILLIAMS. Yes, if the Congress did not address the issue, that is correct.

Mr. CARDIN. So——

Mr. WILLIAMS. But I was asked whether the President supported the supplemental program, and the answer is we do, but the President wants to deal with all of these issues in the TANF reauthorization.

Mr. CARDIN. The answer to the question, if we want to do it, Congress has to act this year, this year, and the budget has to include it this year, and the administration is not recommending action this year. Therefore, Mr. Williams, I would submit that by doing that you are adversely affecting the 17 States that depend upon that. Maryland is not one of those States. This is Texas and some of the other States that are involved. But I don't think you can hide behind the banner that you will take it up next year. Next year we will have a TANF reauthorization bill, but we should at least have a 1-year extension if you want to defer it to next year and submit a 1-year extension of the supplemental grants so that these States aren't adversely affected.

Mr. DOGGETT. If the gentleman would yield back, just like the Early Opportunity Learning Fund to upgrade the quality of child care, they are for it. They just don't want to pay anything for it.

Chairman HERGER. The time is expired. It is my understanding—Mr. Williams, if you would comment—that the budget resolution approved by the House and the Senate provides for continued funding for the Supplemental Grants Program, about which we were speaking?

Mr. WILLIAMS. Yes, I believe that is right.

Mr. CARDIN. Will the gentleman yield?

Chairman HERGER. Yes.

Mr. CARDIN. You are absolutely correct, but I am trying to see whether the administration is supporting us on that. Congress is

probably going to act, but the President can veto. I want to know whether the administration is going to support the supplemental grants and, if you are, where the money is coming from. That is, I guess, our question.

Mr. WILLIAMS. I can't speak for the President specifically, but I think the President has endorsed the budget resolution and my guess is that he will support that particular provision when it is enacted.

Chairman HERGER. Thank you very much, Mr. Doggett, Mr. Cardin, Members of our Committee, and I want to thank you again, Mr. Williams, for joining us this morning. I trust that you would respond to additional questions on these issues for the record. It has been a very informative hearing, and I appreciate the time that you have given us today, and with that, this Committee stands adjourned.

Mr. WILLIAMS. Thank you, Mr. Chairman.

[Whereupon, at 11:35 a.m., the hearing was adjourned.]

[Submissions for the record follow:]

Statement of the Hon. Suzanne Jeskewitz, State Representative, Wisconsin State Assembly

I would like to urge you to maintain the full funding for maternity group homes that President Bush has allocated in the Health and Human Services fiscal year 2002 budget.

As a State Representative in Wisconsin, I have been working on state legislation to allow private organizations to establish and operate maternity group homes, commonly referred to as Second Chance Homes, for pregnant and parenting teenage girls. While developing this legislation, I had the opportunity to visit a Second Chance Home. The life skills that these mothers learn while living in a Second Chance Home are invaluable. They learn money management skills, responsibility, how to be a contributing member of society and most importantly how to be a good mother. Many of these girls come from broken homes themselves and are in danger of repeating the cycle of irresponsible parenting. These homes show them that there are other options available and teach them how to choose the best path.

The legislation that I am advocating in Wisconsin currently does not have a funding source. We are counting on the benevolence of society to help us fund these homes. The support that we have received already has been very encouraging, but living on the hope of generosity is a scary prospect. The funding that has been allocated by President Bush will be a start for the development and operation of Second Chance Homes all over the country. This will be money that these homes can depend on. The money will provide stability for the operators of these homes who in turn provide a safe, stable, secure environment for these young mothers and their new babies.

Thank you for the opportunity to express my support for President Bush's proposal for \$33 million in the Health and Human Services budget for maternity group homes.

Statement of Professor James Q. Wilson¹, Malibu, California

I strongly endorse President Bush's request for funds to support Maternity Group Homes. There are many humane reasons for wishing to help private organizations supply safe and decent shelter to unmarried teenage mothers. But I want to suggest a practical reason for doing so.

Out-of-wedlock births are, in my judgment, the central social issue facing this country. Over many decades, our culture (like that of Australia, Canada, England,

¹Wilson is an emeritus professor of management and public policy at UCLA and now lectures at Pepperdine University. He is the author of a book, *THE MARRIAGE PROBLEM*, that discusses out-of-wedlock births in greater detail. It will be published in January 2002 by HarperCollins.

and other nations) has lost its capacity to enforce a marriage obligation on people who create children. Today, over one-fifth of all white children and over one-half of all black ones live in a mother-only family. America is unique in one respect: we lead the world in the proportion of births to unwed teen mothers. In 1997, the proportion of births to unwed mothers under the age of twenty in large American cities was shown by the National Center for Health Statistics to be as follows:

| | |
|----------------------|-----|
| St. Louis | 97% |
| Baltimore | 96% |
| District of Columbia | 96% |
| Pittsburgh | 96% |
| New Orleans | 95% |
| Philadelphia | 95% |
| Newark | 95% |
| Detroit | 95% |
| Cincinnati | 94% |
| Cleveland | 94% |

I could add more cities to this list, but the story would be much the same. For the nation as a whole in 1997, 78 percent of all births to teen moms were out of wedlock.

As a result, children growing up without fathers are now a major source of social instability. Research has revealed these facts about out-of-wedlock children:

When the Department of Health and Human Services studied 30,000 American households, it found that at every income level save the very highest single-parent children were more likely to drop out of school, have emotional problems, and behave badly.

Among white children, those living with unwed mothers were much more likely to become delinquent, and this remained true even after the researcher held constant family income.

Among all children, those with an unwed mother were twice as likely to spend time in jail as were those with two parents even after the researchers held constant family income.

In predominately African American communities, the rate of violent crime is more closely correlated with family structure than with race.

To avoid poverty in this country, you need do only three things: finish high school, marry before having a child, and produce the first child after the age of twenty. William Galston, formerly an adviser to President Clinton, has shown that only 8 percent of the families who do this are poor while 79 percent who fail to do this are poor.

Welfare reform—the Personal Responsibility and Work Opportunity Reconciliation Act of 1996—has helped reduce the number of women obtaining welfare and increase the number who are working. But so far it has not had a large effect on out-of-wedlock births, especially among teenage girls. Despite its requirement that unmarried teen moms either live with their parents or, should that be undesirable, in an appropriate, adult-supervised residence, most states have done little to produce such residences.

But some states, such as Massachusetts, have done a great deal to create these residences, using public money and part of the TANF payment to teen moms to create what is called the Teen Living Program. Some of them are run by secular organizations, some by church-related ones. There are comparable programs in Georgia, Nevada, New Mexico, Rhode Island, and Texas.

The Federal government should insist that all states carry out the requirements of the 1996 law and offer them matching grants to make it financially easier to do so.

The goal of this effort, in my view, should not simply be to improve the lives of teen moms by insuring that they finish high school, stay away from drugs and alcohol, and avoid predatory boy friends. Its larger purpose should be to insure that

these girls do not have additional children without first getting married and that their babies grow up in an environment in which they are not only given loving care but taught that romance ought to be a prelude to marriage, not simply an opportunity for sex.

This may be happening now with similar homes that are already in operation, but we do not know this with any certainty. Therefore, I suggest that Congress offer funds for such homes only on condition that these homes be evaluated by independent (that is, non-governmental) organizations. I would recommend that at least 10 percent of all federal funds appropriated for this purpose be earmarked for such evaluation efforts.

Such evaluations will take a long time because we need to learn from them what happens to the children as they grow up. We should not be worried about this delay. This nation has taken half a century to reduce the obligations, and thus to minimize the benefits, of marriage. It may well take twenty years or more for us to learn how best to undo the mischief we have created.

In taking these steps, I am mindful of the fact that some unmarried mothers (and some unmarried fathers) do a fine job of raising their children. But statistically they are a distinct minority. Today, violent gangs, drug-dependent adolescents, juvenile detention centers, and our state prisons are disproportionately made up of fatherless children.

From time to time, some people try to minimize this problem by pointing out that the number of such births is declining. But that is true only because the number of all births is declining. The ratio of out-of-wedlock births to all births has scarcely declined at all.

This is not a uniquely American problem. It can be found in most other English-speaking nations and in some European ones as well. Only slowly have some people living abroad come to appreciate the gravity of this problem. But America has one advantage: our leaders now view the problem seriously. This proposal is an opportunity to take a giant leap forward in bringing under control a profound source of social instability.

